

**Source Selection Statement for the International Space Station (ISS)**  
**Program Integration and Control (PI&C)**  
**Follow-on Contract NNJ09GA18B**  
**National Aeronautics and Space Administration**

On June 8, 2009, I met with the members of the Source Evaluation Board (SEB) appointed to evaluate proposals for the International Space Station (ISS) Program Integration and Control (PI&C) Follow-on Contract NNJ09GA18B. Several other officials of the Lyndon B. Johnson Space Center (JSC) also attended the meeting. PI&C is an Indefinite Delivery Indefinite Quantity (IDIQ) Fixed Price using Fixed Rates contract. The basic period of performance for this acquisition is 3 years, from October 1, 2009 through September 30, 2012. There are two 1-year options. The Not-To-Exceed (NTE) amount for the 5 year effort is \$180,000,000. The 1<sup>st</sup> year option price is \$17,356,920 and the 2<sup>nd</sup> year option price is \$16,366,280. This acquisition is a follow-on contract to the current ISS PI&C Contract.

The objective of the ISS PI&C contract is to assist NASA in the management of the ISS Program Office. The scope of the PI&C effort includes the services required to complete the assembly, operate, and maintain the ISS. The required services include: Information Technology (IT) Integration, IT Application Management, Program IT support, Systems Analysis and Integration, International Partner Integration, Spacecraft Integration, Safety and Mission Assurance, Engineering and Technical Services, Resource and Budgetary Analysis, Program Schedules, Configuration Management, and Data Management.

**Background**

On December 2, 2008, the Contracting Officer issued Request for Proposals (RFP) NNJ09ZBG001R with a past performance proposal receipt date of January 29, 2009, and technical and cost proposals receipt date of February 13, 2009. One Offeror, ARES Corporation (ARES), submitted a proposal in response to the RFP.

RFP Section L.3(f), Contract Award, provided that "the Government intends to award a contract or contracts resulting from this solicitation to the responsible offeror(s) whose proposal(s) represents the best value after evaluation in accordance with the factors and subfactors in the solicitation."

RFP Section M, Evaluation Factors for Award to Offerors, Provision M.1 Paragraph 3.0 Source Evaluation Factors provided that "[p]roposals will be evaluated in accordance with the following factors: Mission Suitability, Past Performance, and Price. Only the Mission Suitability factor will be weighed and scored."

Mission Suitability had a 1,000 point value divided into three subfactors:

Subfactor A: Technical Approach	500
Subfactor B: Management Approach	400
Subfactor C: Safety and Health Approach	100

Mission Suitability was evaluated and rated using the following adjectival ratings for the subfactors: Excellent, Very Good, Good, Fair, and Poor.

Past Performance was evaluated and rated using the following scale: Very High Level of Confidence, High Level of Confidence, Moderate Level of Confidence, Low Level of Confidence, Very Low Level of Confidence, and Neutral/Unknown Confidence.

A price analysis of the Offeror's proposed price, including the basic period and all options, was conducted and assigned a price risk assessment. The Price Risk Assessment Levels utilized were: High, Moderate, and Low.

RFP Section M: M.1 Paragraph 9.0 Relative Importance of Evaluation Factors provided that "[m]ission Suitability is more important than Past Performance. Mission Suitability and Past Performance, when combined, are significantly more important than Price."

In accordance with the above stated provision, the SEB evaluated the Offeror's proposal on the basis of Mission Suitability, Past Performance, and Price. On April 24, 2009, the Contracting Officer recommended that one Offeror should fall within the competitive range and award the contract after negotiations in accordance with NASA FAR Supplement 1815.305-71 (B), "Award after negotiating ("Discussions") an acceptable contract." I concurred with the Contracting Officer's recommendation. Accordingly the Board invited the sole Offeror to participate in written and oral discussions, and the Offeror was given the opportunity to correct, clarify, substantiate, or confirm the contents of its proposal and to submit a Final Proposal Revision (FPR), as well as a signed model contract reflecting the Offeror's intent to be bound contractually. After considering the results of the FPR, the Board concluded its final evaluation and determined the Mission Suitability scores for the proposal.

The SEB gave the ARES's proposal an overall Mission Suitability score of 976 points out of a maximum 1000 points. On the subfactor level, the ARES's proposal was determined to be Excellent in Technical Approach, Excellent in Management Approach, and Excellent in Safety and Health Approach.

### **Mission Suitability Evaluation**

#### **ARES Corporation**

ARES had five significant strengths, eight strengths, and no weaknesses, significant weaknesses or deficiencies in its Technical Approach and was rated Excellent for that subfactor. The first significant strength was ARES approach to system performance

analysis and integration products. This approach demonstrated a highly effective and sound technical task understanding and proposed execution for system performance analysis and integration.

The second significant strength was for ARES' demonstration of technical task understanding and proposed execution in Strategic Planning, Assembly, and Configuration Engineering. The ARES' approach was highly effective and sound. For example, ARES' comprehensive work flow chart demonstrated the intricacies involved in performing strategic flight planning process and products, external configuration and mass properties, and internal volume configuration analysis.

The third significant strength was for ARES' budgetary task understanding and proposed execution of the ISS Program Budget Requirements and Assessments. ARES proposed an efficient and effective execution of the budgetary requirements and assessments. They proposed the use of extensive cost estimating tools on each contract deliverable throughout the cost approval process.

The fourth significant strength was written for ARES' sound and effective demonstration of exceptional knowledge and familiarity with the IT Certification and Accreditation (C&A) process. ARES provided a detailed security plan for their offsite facility addressing each of the security controls identified by the National Institute of Standards and Technology (NIST). The plan further demonstrated ARES' understanding that the C&A process requires continuous monitoring of security controls as well as a current knowledge of all relevant C&A documentation formats developed by NIST.

The fifth significant strength was written for ARES' undocking strategy which is in development. The proposed undocking strategy concerns propellant usage and mission operations. This strategy demonstrated remarkable initiative and awareness of significant on-going international negotiations.

In the Management Approach subfactor, ARES' proposal had two significant strengths, one strength, no weaknesses, significant weaknesses or deficiencies for a rating of Excellent. ARES received a significant strength for its effectiveness, soundness, and efficiency demonstrated in their Management Approach. The Offeror's Overall Management Approach, (Organizational structure, teaming arrangements, Government interfaces and communication, and customer satisfaction) was exemplary. ARES' plan and approach demonstrated foresight into new programs, possible changes to the internal and external environments of commercial space, and the ISS Program's shift from assembly to operations and utilization. ARES provided an effective and efficient organizational structure with a qualified workforce. They also provided an effective and efficient approach to Government interface to facilitate proactive communication. In addition, ARES provided a sound approach to develop and maintain customer satisfaction.

ARES' other significant strength was on its superb effective, sound, and efficient phase-in approach to minimize disruption from the current contract with a 100% incumbent capture.

ARES' Safety and Health Approach had one significant strength, no strengths, weaknesses, significant weaknesses, or deficiencies for a rating of Excellent. The noted significant strength was that ARES's proposed Safety and Health Plan reflected a proactive Voluntary Protection Program (VPP) oriented safety culture.

### **Past Performance**

The Offerors were asked to provide data on relevant contract work within the last three years and were instructed to have their customers complete past performance questionnaires on that work.

ARES and its two major subcontractors, (Booz Allen Hamilton and Barrios) submitted 12 relevant contracts for review. All of the contracts were similar in scope and complexity to the contemplated PI&C Follow-on contract. ARES and its major subcontractors received primarily exceptional ratings on the submitted questionnaires. With regard to the ARES Team past performance, the SEB assessed ARES one significant strength and two strengths. The significant strength assessed was for both ARES and its subcontractors exhibiting an extensive range of capabilities in the areas of technical expertise, management, integration and overall performance in relevance, magnitude, and complexity as it related specifically to the PI&C Follow-on requirements. The Government's review of past performance via interviews, questionnaires, and database information gave very high confidence that the Offeror will successfully meet or exceed contractual requirements. Given all the exceptional ratings that the ARES Team received from its customers on several highly relevant contracts, the SEB assessed it a Very High Level of Confidence rating.

### **Price**

The price proposal was evaluated consistent with the evaluation criteria in Section M of the RFP. Although only one proposal was received, the Contracting Officer has determined that the solicitation was not flawed or unduly restrictive, and that the proposal was submitted in a competitive environment. In performing the price analysis, ARES' proposed price was approximately 11% lower than the Independent Government Estimate (comparison of the IGE to the Offeror's proposed price is one of the methods available to perform price analysis according to FAR 15.404-1). In addition, a comparison between comparable contracts recently awarded with adequate price competition resulted in the ARES proposed price per labor category generally falling between Constellation Program Support Contract (CPSC) and Orion Project Integration Contract (OPIC) prices per labor category. The Contracting Officer determined that pricing and total compensation questions/concerns were fully resolved during written, oral and negotiation discussions and were reflected in the Final Proposal Revision model contract executed and submitted by ARES. ARES's proposed price was determined to be fair and reasonable by the Contracting Officer. As a result of the price analysis, the SEB assigned a low total price risk assessment.

### **Selection Decision**

The solicitation stated that Mission Suitability and Past Performance factors, when combined, are significantly more important than Price. Mission Suitability is more important than Price.

Under the Mission Suitability factor, I agree with the "Excellent" ratings the SEB gave ARES under the Technical Approach, Management Approach, and Safety and Health Approach.

ARES' approach to system performance analysis and integration and its approach to strategic planning assembly and configuration engineering exceeded the Government's requirements. I believe these approaches will assure highly technical excellence of the core program integration office products and will continue the seamless and smooth operations with all Government customer organizations and International Partners. ARES' budgetary approach will result in sustained superior results in the Government's business management of the ISS. It will also assure continued excellence and yield increased efficiencies and overall program effectiveness. I believe the significant strength the proposal received for its exceptional knowledge of and familiarity with the IT certification and accreditation (C&A) process provides a high degree of confidence that ARES will be able to complete the contract's C&A requirements. The completion of the C&A process will result in a reduced risk of IT security compromises. Additionally, ARES' proposed undocking strategy will be a significant gain for the Government and will result in ISS propellant savings and mission operations time savings.

I acknowledged ARES' proposal had two significant strengths under the subfactor Management Approach. Of these two strengths most notable is ARES' comprehensive overall management approach. This approach indicated ARES fully understood the requirements of the solicitation, a finding that greatly increased the likelihood of successful performance.

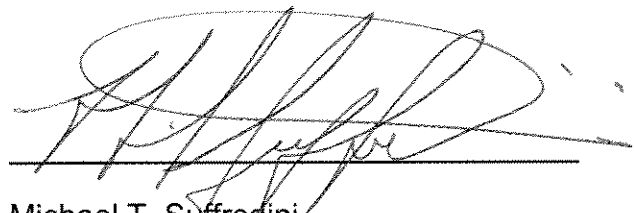
I noted that the Significant Strength under the subfactor Safety and Health Approach regarding ARES' proposed Safety and Health Plan was exemplary and will result in highly effective performance that will reduce the potential for mishaps and incidents and promote a safe work environment.

Under the past performance factor, I recognized the SEB gave the ARES Team an adjectival rating of "Very High" Level of Confidence. This "Very High" Level of Confidence rating is based on the ARES Team having significant and exceptional past performance similar in size, scope, magnitude, and complexity to the contemplated PI&C Follow-on contract.

With regard to price, I concur with the Contracting Officer. ARES' proposed price is fair and reasonable. The Independent Government Estimate and historical prices for similar services validate that the proposed price is fair and reasonable.

I concur with the SEB's assessment that the significant strengths of ARES' proposal indicated a high degree of understanding of the solicitation requirements and a high level of strategic management foresight. I further concur that the prospect of continued innovations would help synergize and consolidate processes in the ISS Program Office. I believe these findings greatly increase the likelihood of successful performance at a fair and reasonable price.

Therefore, in accordance with the RFP that states the Government will award a contract or contracts resulting from this solicitation to the responsible offeror(s) whose proposal(s) represents the best value after evaluation in accordance with the factors and subfactors in the solicitation, I find that ARES is the best value and select it to perform the International Space Station Program Integration and Control Follow-on Contract. My selection decision is based solely on and is wholly consistent with the selection criteria and evaluation framework, including the relative importance of the factors and subfactors as explained in the solicitation and is supported by the SEB findings that I identified as relevant and material to my decision.

A handwritten signature in black ink, appearing to read 'M. T. Suffredini', is written over a horizontal line.

Michael T. Suffredini  
Source Selection Authority

15 June 2009

Date